

DENR  
Joe Foss Building  
523 East Capitol  
Pierre, South Dakota 57501-3182

October 11, 2008

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Re: Proposed Draft Air Permit  
Hyperion Energy Center  
Union County, South Dakota

Gentlemen:

This letter is being written concerning the draft air permit that the state of South Dakota issued to Hyperion Energy Center.

First I respectfully request that the final Air Permit be delayed until you receive an Environmental Impact Statement that you should request from an independent third party (and bill such to Hyperion as required by South Dakota law) to more fully understand the full environmental and socio-economic impact of the proposed project.

Second, I am concerned about the monitoring of the flares and toxic air pollution from product leaks in equipment. Each time there is an upset in the refinery the mistake will be burned off causing more pollution but the results are not included in total emission output. Existing IGCC plants have many startup and shutdowns, each causing flaring which is unmonitored and not recorded, but certainly adding pollutants to the air. Alex Cuclis, a research scientist with the Houston Advanced Research Center, estimates actual emissions from oil refineries can be three to 10 times higher than what companies report.

Hyperion Energy has stated from the beginning they would be the greenest possible facility. If Hyperion Energy is building a 21<sup>st</sup> century refinery they should use 21<sup>st</sup> century monitoring and recording techniques. Using the monitoring and recording techniques of the last century will cause many of the same problems that exist in refineries today. It is of utmost necessity that the most up to date monitoring and recording techniques are used.

This leads me to my Third concern. Hyperion Energy Center has stated they will be green, and good neighbors; however there has never been two-way communication between citizens concerned about environmental issues and Hyperion Energy planners explaining exactly what this means. There has been collaboration with local economic developers and Hyperion Energy Center, but no two-way communication with local citizens to discuss environmental, safety, and other issues. The open house technique

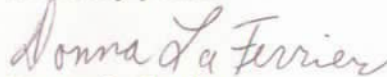
presented by Hyperion Energy Center in December did not meet the need of group discussion and collaboration.

A South Dakota Center for Environmental Advocacy should be formed which includes an Expert Review Panel and Community Advisory Council to collaborate with Hyperion Resources. The two groups should use law, science and research to protect South Dakota's natural resources, its wildlife, and the health of its people. This could be modeled like the MCEA, Minnesota Center for Environmental Advocacy, which was formed to work with Flint Hills Resources a refinery in Minnesota.

Before the air permit is finalized and issued these and many other problems have to be addressed. The citizens of South Dakota need the protection of an Environmental Impact Statement taken by an independent third party, the implementation of the best monitoring and recording devices developed not just BACT, and an avenue for the citizens to present concerns as they arise.

I ask that you put the citizens of South Dakota first. The health and well-being of the people now and for future generations deserve a comprehensive study of the environmental issues this project presents.

Sincerely yours,



Donna LaFerrier  
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